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STATEMENT BY H.E. MR. MUNKHTUSHIG LKHANAAJAV
STATE SECRETARY OF THE MINISTRY OF FOREIGN AFFAIRS OF MONGOLIA
AT THE 81st SESSION OF THE UNITED NATIONS ECONOMIC AND SOCIAL COMMISSION FOR ASIA AND THE PACIFIC

Agenda Item 2(a): Current and Emerging Policy Issues for Inclusive and Sustainable Development in Asia and the Pacific
(Bangkok, 21 April 2025)

Madame Chair,
Excellencies, Distinguished Delegates,
Ladies and Gentlemen,

On behalf of the Government of Mongolia, I would like to express our sincere appreciation to Ms. Armida Alisjahbana, Executive Secretary of UNESCAP, and the Secretariat for their dedicated efforts and unwavering support to member states.

Taking this opportunity, I would like to express our deepest condolences and heartfelt sympathies to all those affected by the devastating earthquake that recently struck parts of Myanmar and Northern Thailand, causing loss of life, injury, and widespread damage. We commend the swift response efforts of local authorities, emergency services, and humanitarian workers who tirelessly worked to rescue and support those in need. We stand in solidarity with the people of Myanmar and Thailand, and we express our hope for a quick recovery and the resilience of all those impacted.

In recent years, our region has endured a series of profound and interconnected shocks, from the pandemic to rising living costs, mounting debt distress, and the escalating impacts of climate change. These challenges have tested our resilience and revealed systemic vulnerabilities across our economic, social, and environmental landscape.

At the regional level, safeguarding people's income, health, and job prospects remains a top priority. Complex policy challenges, such as economic fragmentation, digital inequality, demographic shifts, and the urgent need for a just energy transition continue to emerge. Rising fiscal deficits and sovereign debt, particularly in South Asia and the Pacific Islands, are constraining public investment and threatening hard-won development gains. Similarly, climate-related disasters, costing the region nearly to $1 trillion annually, continue to undermine livelihoods and national economies.

Madame Chair,

Despite these adversities, our region continues to demonstrate strength and resolve. I wish to highlight three critical areas where urgent and coordinated policy action is essential to building a more inclusive and sustainable future for all.

***First*, we must prioritize the protection and empowerment of people across the region.** Inclusive development begins with ensuring access to decent jobs, stable incomes, education, and healthcare. Yet nearly 500 million people in the region still live in multidimensional poverty. Women remain disproportionately excluded from economic opportunities, while youth unemployment, inadequate social protection, and digital exclusion continue to leave millions behind.

Governments should focus on strengthening social safety nets, investing in skills development, and expanding universal access for healthcare and pensions. These efforts must be deliberately inclusive, with targeted support for the most vulnerable, including persons with disabilities, informal workers, and older individuals.

***Second*, we must steer our economies toward greater resilience and equity.** Fiscal space is tightening, especially in countries with special needs, including LDCs, LLDCs, and SIDSs. Mounting debt burdens and limited access to affordable financing are restricting growth and public investment. At the same time, rapid digital transformation and shifting trade dynamics presents new opportunities but also risk of deepening inequality.

To address these challenges, we need to focus on smarter taxation, more efficient public spending, and innovative financing tools such as blended finance and green bonds. Expanding digital infrastructure, especially in rural and underserved areas is critical. Trade must be redefined not as a zero-sum game, but as a driver of inclusive and shared prosperity.

***Third*, we must take bold and decisive action on climate and the environment.** Asia and the Pacific is the most disaster-prone region in the world, with climate-related disasters already costing nearly $1 trillion annually. The time for incremental steps has passed.

We need comprehensive climate adaptation strategies, robust early warning systems, and resilient infrastructure, especially in vulnerable subregions such as the Pacific Islands. The energy transition must be accelerated, with fair and tailored support for countries dependent on fossil fuels. Climate finance both concessional and accessible must be scaled up with urgency.

Madame Chair,

It is important to recognize that advances in science, technology, and innovation are key to accelerating progress toward the Sustainable Development Goals. These pillars not only serve as a blueprint for global progress, but also promote equality among nations, and fast-track the socio-economic growth of developing countries.

In this context, I am pleased to reflect on the successful conclusion of Mongolian Digital Trade Week, held from March 25 to 28, 2025. This landmark event was organized

by the Ministry of Foreign Affairs of Mongolia, in close collaboration with UNESCAP, the UN Resident Coordinator's Office in Mongolia, and the European Union's "International Trade Development in Mongolia" project. Throughout the week, UNESCAP and national experts delivered insightful presentations and practical training sessions on enhancing Mongolia's digital trade environment, exploring blockchain in cross-border trade, and sharing international best practices.

Furthermore, a significant milestone on Mongolia's digital trade transformation was the ratification of the Framework Agreement on Facilitation of Cross-border Paperless Trade in Asia and the Pacific on April 27, 2022. This agreement plays a vital role in reducing trade costs by digitalizing export and import procedures. To support its implementation, a National Working Group was established in early January of this year, tasked with guiding the development of a national roadmap for paperless trade. An action plan is expected to be finalized and implemented in the coming years, marking a strategic step forward in strengthening national digital trade infrastructure.

Taking this opportunity, I am pleased to inform you that we will host the World Women Entrepreneurs Forum in August 2025, under the auspices of the President of Mongolia, with the theme "Inspire, Impact and Invest". This important event aims to support women entrepreneurs by enhancing their capacities, promoting experience-sharing, and fostering a favorable environment for investment.

Moreover, Mongolia is preparing to host the COP17 to the UN Convention to Combat Desertification in Ulaanbaatar in 2026. We look forward to the support and cooperation of all member states in making these events a success.

Madame Chair,

There is no one-size-fits-all solution. However, there is immense power in regional and subregional cooperation. Whether it's the ASEAN digital economy initiatives, the trilateral green technology collaboration in East Asia, or the shared water resource strategies in Central Asia, cooperation is the thread that binds our efforts and amplifies our impact.

Above all, we must be united by a common vision: a region where growth is inclusive, prosperity is sustainable, and development leaves no one behind. We are stronger when we stand together. Let us rise to this moment with clarity, courage, and commitment.

Thank you.